

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 510 – HB 1392

March 4, 2009

SUMMARY OF BILL: Authorizes cities to retain a commission equal to the commission allowed for county clerks when collecting revenue on behalf of the state.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$28,400/One-Time
Decrease State Revenue - \$3,325,000/Recurring

Increase Local Revenue - \$3,325,000/Recurring
Increase Local Expenditures – Not Significant/Recurring

Assumptions:

- County clerks currently receive a commission equivalent to five percent of the amount collected. Under current law municipal clerks do not receive a commission.
- According to the Department of Revenue, the amount collected that would be subject to the municipal commission is estimated to be \$66,500,000. The decrease in state revenue and increase in local revenue is estimated to be \$3,325,000 (\$66,500,000 x 5%).
- There will be a one-time increase in state expenditures of \$28,400 for updates to computer software and paper tax forms.
- Any increase in local expenditures to implement a collection system is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in cursive script, reading "James W. White".

James W. White, Executive Director

/kmc

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